

Notice of Yahoo Data Breach Class Action Settlement

In re: Yahoo! Inc. Customer Data Security Breach Litigation,
Case No. 16-md-02752-LHK (N.D. Cal.)

This is a Court approved Legal Notice. This is not an advertisement.

Important Information – Read Carefully.

A Class Action Settlement has been proposed in litigation against Yahoo! Inc. (“Yahoo”) and Aabaco Small Business, LLC (together, called “Defendants” in this notice), relating to data breaches (malicious actors got into system and personal data was taken) occurring in 2013 through 2016, as well as to data security intrusions (malicious actors got into system but no data appears to have been taken) occurring from, at least, January to April 2012 (collectively the “Data Breaches”). If you received a notice about the Data Breaches, or if you had a Yahoo account at any time between January 1, 2012 and December 31, 2016 and are a resident of the United States or Israel, you are a “Settlement Class Member.”

Under the terms of the Settlement, Yahoo has enhanced, or, through its successor in interest, Oath Holdings Inc. (“Oath”), continues to enhance its business practices that will improve the security of its users’ personal information stored on its databases. Defendants will also pay for a Settlement Fund of \$117,500,000. The Settlement Fund will provide a minimum of two years of Credit Monitoring Services to protect Settlement Class Members from future harm, or an alternative cash payment for those who verify they already have credit monitoring or identity protection. The Settlement Fund will also provide cash payments to those who have demonstrated out-of-pocket losses, including loss of time, as well as payments to Yahoo users who paid for advertisement free or premium Yahoo Mail services and those who paid for Aabaco Small Business services, which included business email services. The Settlement Fund will also pay the costs of notice and the settlement administration; court-approved attorneys’ fees, costs, and expenses; and Service Awards for named Plaintiffs. In exchange, Settlement Class Members will release any and all claims they may have against Defendants regarding the Data Breaches.

Settlement Class Members May Act Now To Protect Themselves From Possible Harm Resulting From The Data Breach

Settlement Class Members are encouraged to submit a claim to receive a minimum of two years of future Credit Monitoring Services. If you already have Credit Monitoring Services, you may still sign up for this additional protection. Alternatively, if you verify that you already have a credit monitoring service that you will keep for at least one year, you may submit a claim for a cash payment of \$100.00 instead of receiving Credit Monitoring Services through the Settlement. Payment for such a claim may be less than \$100.00 or more (up to \$358.80) depending on how many Settlement Class Members participate in the Settlement.

You may additionally provide documentation or proof to receive reimbursement of up to \$25,000.00 in out-of-pocket losses, including lost time, that you believe you suffered or are suffering because of the Data Breaches. As to documented lost time, you can receive payment for up to fifteen hours of time at an hourly rate of \$25.00 per hour or unpaid time off work at your actual hourly rate, whichever is greater. If your lost time is not documented, you can receive payment for up to five hours at that same rate.

If approved, the proposed Settlement will resolve the litigation entitled *In re: Yahoo! Inc. Customer Data Security Breach Litigation*, Case No. 16-md-02752-LHK (N.D. Cal.), before Judge Lucy H. Koh in the Northern District of California, and *Yahoo! Inc. Private Information Disclosure Cases*, JCCP No. 4895, before Judge Glenda Sanders in the Orange County Superior Court. The Court must decide whether to

finally approve the Settlement. No Credit Monitoring Services will be provided, and no payments will be made until the Settlement becomes final. The class action settlement approval process may take more than one year.

Your legal rights are affected even if you do nothing.

Please read this Notice carefully.

YOUR LEGAL RIGHTS AND OPTIONS IN THIS SETTLEMENT		
FILE A CLAIM FOR CREDIT MONITORING SERVICES OR ALTERNATIVE COMPENSATION	You must make a claim in order to receive either Credit Monitoring Services or Alternative Compensation. For detailed information about how to file a Claim for Credit Monitoring Services or Alternative Compensation, see Questions 11 and 17.	Deadline: July 20, 2020
FILE A CLAIM FOR OUT-OF-POCKET COSTS AND/OR LOSS OF TIME	You must make a claim in order to receive reimbursement for Out-of-Pocket Costs and/or loss of time. You may claim both Out-of-Pocket Costs and either Credit Monitoring Services or Alternative Compensation. For detailed information about how to file a Claim for Out-of-Pocket Costs, see Questions 14 and 18.	Deadline: July 20, 2020
FILE A CLAIM FOR PAID USER COSTS	If you paid for premium or advertisement free Yahoo Mail services, you must make a claim in order to receive reimbursement for a portion of those costs. You may claim both Paid User Costs and Out-of-Pocket Costs and either Credit Monitoring Services or Alternative Compensation. For detailed information about how to file a Claim for Paid User Costs, see Questions 15 and 19.	Deadline: July 20, 2020
FILE A CLAIM FOR SMALL BUSINESS COSTS	If you paid for Aabaco small business services, you must make a claim in order to receive reimbursement for a portion of those costs. You may claim both Small Business Costs and Out-of-Pocket Costs and either Credit Monitoring Services or Alternative Compensation. For detailed information about how to file a Claim for Small Business Costs, see Questions 16 and 20.	Deadline: July 20, 2020

This Settlement affects your legal rights even if you do nothing.
Questions? Go to www.YahooDataBreachSettlement.com or call 844-702-2788.

<p>OBJECT OR COMMENT ON THE SETTLEMENT</p>	<p>You may object to the Settlement and/or to the amount of Attorneys’ Fees, Costs, and Expenses, or Class Representative Service Awards by writing to the Court and informing it why you don’t think the Settlement should be approved, and/or why the amount of Attorneys’ Fees, Costs, and Expenses or Service Awards are improper. You can also write the Court to provide comments or reasons why you support the Settlement and/or the amount of Attorneys’ Fees, Costs, and Expenses, or Class Representative Service Awards.</p> <p>For detailed information about how to object to or comment on the Settlement, see Question 25.</p>	<p>Deadline: March 6, 2020</p>
<p>GO TO THE “FINAL FAIRNESS HEARING”</p>	<p>You may, but are not required to, attend the Final Fairness Hearing where the Court may hear arguments concerning the approval of the Settlement. If you wish to speak at the Final Fairness Hearing, you must make a request to do so in your written objection or comment.</p> <p>For detailed information about the Final Fairness Hearing, see Questions 27-29.</p>	<p>Deadline: April 2, 2020</p>
<p>EXCLUDE YOURSELF FROM THIS SETTLEMENT</p>	<p>You can exclude yourself from the Settlement by informing the Settlement Administrator that you want to “opt-out” of the Settlement. If the Settlement becomes final, this is the only option that allows you to retain your rights to sue Defendants in this lawsuit for claims related to the Data Breaches.</p> <p>For detailed information about how exclude yourself from the Settlement, see Questions 26 and 30-33.</p>	<p>Deadline: March 6, 2020</p>
<p>DO NOTHING</p>	<p>If you do nothing, you will not be eligible to receive Credit Monitoring Services, Alternative Compensation, Out-of-Pocket Costs, Paid User Costs, or Small Business Costs. However, if the Settlement becomes final, you will give up your rights to sue Defendants regarding the Data Breaches.</p> <p>For detailed information about what happens if you do nothing, see Question 34.</p>	<p>No deadline</p>

This Settlement affects your legal rights even if you do nothing.

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Questions? Go to www.YahooDataBreachSettlement.com or call 844-702-2788.

BACKGROUND INFORMATION

1. Why is there a notice?

A Court authorized this Notice because you have a right to know how the proposed Settlement may affect your rights. This Notice explains the nature of the litigation, the general terms of the proposed Settlement and how it affects you. This Notice also explains the ways you may participate in, or exclude yourself from, the Settlement.

2. What is this litigation about?

This case involves multiple data breaches occurring at Yahoo in 2013 through 2016, as well as data security intrusions occurring in early 2012 (collectively, the “Data Breaches”):

- The “2012 Data Security Intrusions”: From, at least as early as January to April 2012, at least two different malicious actors were able to access Yahoo’s internal systems. The available evidence, however, does not reveal that user credentials, email accounts, or the contents of emails were taken out of Yahoo’s systems as a result.
- The “2013 Data Breach”: In August 2013, malicious actors were able to gain access to Yahoo’s user database and took records for all existing Yahoo accounts—approximately three billion accounts worldwide. The records taken included the names, email addresses, telephone numbers, birth dates, passwords, and security questions and answers of Yahoo account holders. As a result, the actors may have also gained access to the contents of breached Yahoo accounts and, thus, any private information contained within users’ emails, calendars, and contacts.
- The “2014 Data Breach”: In November 2014, malicious actors were again able to gain access to Yahoo’s user database and take records of approximately 500 million user accounts worldwide. Like the 2013 Data Breach, the records taken in the 2014 Data Breach included the names, email addresses, telephone numbers, birth dates, passwords, and security questions and answers of Yahoo account holders, and, as a result, the actors may have also gained access to the contents of breached Yahoo accounts and, thus, any private information contained within users’ emails, calendars, and contacts.
- The “2015/2016 Data Breach”¹: From 2015 to September 2016, malicious actors were able to bypass the need for a user account password by creating “forged cookies” that provided the malicious actors with access to Yahoo users’ email accounts. The 2015/2016 Data Breach impacted approximately 32 million user accounts worldwide.

All of the information potentially exposed in the Data Breaches is referred to here as “Personal Information.”

The lawsuit was brought on behalf of the individuals impacted by the Data Breaches against Yahoo! Inc. and its small business services provider, Aabaco Small Business, LLC. Plaintiffs claim that Defendants failed to adequately protect their Personal Information and that they were injured as a result. Defendants deny any wrongdoing, and no court or other entity has made any judgment or other determination of any wrongdoing or that the law has been violated. The current, most recent, complaint filed in this litigation, which describes the specific legal claims alleged by the Plaintiffs, each Defendant named in the lawsuit, and the relief sought in litigation, is available at www.YahooDataBreachSettlement.com.

3. Who are the defendants in the lawsuit?

The Defendants are Yahoo! Inc. and Aabaco Small Business, LLC. Yahoo is one of the largest internet services companies in the United States. It provides one of the oldest free email services on the internet.

¹ Throughout this case, the 2015/2016 Data Breach has also been referred to as the “Forged Cookie Data Breach.”

Aabaco is a wholly owned and controlled subsidiary of Oath Holdings Inc., which provides services to small business owners. Before May 2015, Yahoo provided the same services through one of its divisions, Yahoo Small Business.

Even if you have not filed your own lawsuit against Defendants regarding the Data Breaches, you can obtain the benefits provided by this Settlement because the litigation is proceeding as a class action.

4. Why is this a class action?

In a class action, one or more people file a lawsuit to assert legal claims on behalf of themselves and other persons who have experienced the same or similar circumstances. Here, two separate sets of class action cases were proceeding on parallel tracks; one in federal court—*In re: Yahoo! Inc. Customer Data Security Breach Litigation*, Case No. 16-md-02752-LHK (N.D. Cal.)—and one in California state court—*Yahoo! Inc. Private Information Disclosure Cases*, JCCP No. 4895 (Orange County Superior Court). This Settlement resolves both sets of cases. The 16 people who named themselves as Plaintiffs in the complaints against Defendants will serve as “Settlement Class Representatives” to represent not only their personal interests, but the interests of all the Settlement Class Members. Because this is a class action, even persons who did not file their own lawsuit can obtain relief from harm that may have been caused by the Data Breaches.

5. Why is there a settlement?

Settlements avoid the costs and uncertainty of a trial and related appeals, while providing benefits to Settlement Class Members when the Settlement becomes final. The Court has not decided in favor of Plaintiffs or Defendants. Instead, both sides agreed to a settlement. Settlement Class Representatives and the attorneys for the Settlement Class (“Class Counsel,” *see* Question 7) believe that the Settlement is in the best interests of the Settlement Class Members.

SETTLEMENT CLASS MEMBERSHIP

6. How do I know if I am part of the Settlement?

You are a Settlement Class Member, and you are affected by this Settlement, if you are a resident of the United States or Israel, and if:

- You had a Yahoo account between January 1, 2012, and December 31, 2016; *or*
- You were sent a notice concerning the Data Breaches announced in 2016 and/or 2017.

Yahoo accounts include traditional Yahoo email accounts, as well as accounts on other sites that were owned or operated by Yahoo during the relevant time period, including Yahoo Fantasy Sports, Yahoo Finance, Tumblr, and Flickr.

However, the following entities and individuals are **not** Settlement Class Members:

- The Defendants, any entity in which the Defendants have a controlling interest, and the Defendants’ officers, directors, legal representatives, successors, subsidiaries, and assigns;
- Any judge, justice, or judicial officer presiding over this matter and the members of their immediate families and judicial staff; and
- Any individual who timely and validly opts-out from the Settlement Class.

If you received an email Notice of this Settlement, you have been identified by the Settlement Administrator as a Settlement Class Member.

If you are still not sure whether you are a Settlement Class Member, you may go to the Contact Us page of the Settlement Website at www.YahooDataBreachSettlement.com, or call the Settlement Administrator toll free number at 844-702-2788, to see if you are a Settlement Class Member.

THE LAWYERS FOR SETTLEMENT CLASS MEMBERS

7. Do I have a lawyer in the case?

Yes. The Court appointed as “Class Counsel” John Yanchunis of Morgan & Morgan Complex Litigation Group; Karen Hanson Riebel of Lockridge Grindal Nauen PLLP; Stuart Davidson of Robins Geller Rudman & Dowd LLP; Ariana Tadler of Tadler Law LLP; Gayle Blatt of Casey Gerry Schenk Francavilla Blatt & Penfield LLP; and Daniel Robinson of Robinson Calcagnie, Inc. to represent you and the other Settlement Class Members. If you want to be represented by your own lawyer, you may hire one at your own expense.

8. How will Class Counsel be paid?

Class Counsel will make an application to be paid from the Settlement Fund, which must be approved by the Court. Class Counsel will apply for an attorneys’ fee award of no more than \$30 million, and costs and expenses of up to \$2.5 million. If you wish, you may object to the amount of attorneys’ fees, costs, and expenses. For more detailed information about objecting, see Question 25.

Class Counsel will also ask the Court to approve Service Awards of up to \$7,500 each to compensate the Settlement Class Representatives. For the Settlement Class Representatives whose personal devices were forensically imaged and examined as part of discovery in this lawsuit and who were deposed, the request will be \$7,500 each. For the Settlement Class Representatives whose computers were forensically imaged but who were not deposed, or whose computers were not forensically imaged but who were deposed, the request will be \$5,000 each. For the Settlement Class Representatives whose computers were not forensically imaged and who were not deposed, the request will be \$2,500 each. If you wish, you may object to the amount of Service Awards. For more detailed information about objecting, see Question 25.

The Court will decide the attorneys’ fees, costs, and expenses, and Service Awards to be awarded. Any attorneys’ fees, costs, and expenses or Service Awards awarded will be paid from the \$117.5 million Settlement Fund. Class Counsel’s application for an award of attorneys’ fees, costs, and expenses, and Service Awards will be made available on the Documents page of the Settlement website at www.YahooDataBreachSettlement.com on the date it is filed or as quickly thereafter as practicable, and, in any event, before the deadline for you to comment or object to the Settlement.

You can request a copy of the application by contacting the Settlement Administrator by mail at Yahoo Security Breach Litigation, c/o Settlement Administrator, PO Box 1760, Philadelphia, PA, 19105-1760, or toll-free at 844-702-2788.

BENEFITS FOR SETTLEMENT CLASS MEMBERS

9. What benefits does the Settlement provide?

The Settlement provides the following benefits to Settlement Class Members:

- Data Security Practice Changes and Commitments by Yahoo (see Question 10);

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Questions? Go to www.YahooDataBreachSettlement.com or call 844-702-2788.

- Credit Monitoring Services (see Questions 11, 17);
- Cash Payment as an Alternative to Credit Monitoring Services (see Questions 12, 17);
- Fraud Resolution Services (see Question 13);
- Cash Reimbursement for Out-of-Pocket Losses (see Questions 14, 18);
- Cash Reimbursement for up to 25% of Paid User Costs (see Questions 15, 19); and
- Cash Reimbursement for up to 25% of Small Business User Costs (see Questions 16, 20).

10. Will the Settlement help protect data stored by Yahoo from another data breach?

Settlement Benefit: Data Security Practice Changes and Commitments by Yahoo

Yahoo has enhanced, and, through its successor in interest, Oath, will continue to enhance its information security practices to help protect the personal information stored on its databases from another cyberattack. These enhancements include access control limitations to the user database, encryption of user database backup files, enhanced intrusion detection tools, increased information security department headcount and budget allocations, enhanced retention of pertinent security-related logs, and implementation of an external Board of Advisories to assist the Chief Information Security Officer in maintaining best practices.

11. Will the Settlement help protect me against future identity theft and fraud?

Settlement Benefit: Credit Monitoring Services

The Settlement provides a way to protect yourself from unauthorized use of your Personal Information. Settlement Class Members are encouraged to submit a claim to receive a minimum of two years of future Credit Monitoring Services. If you already have Credit Monitoring Services, you may still sign up for this additional protection or you may seek an alternative cash payment, described below.

Credit Monitoring Services will be provided for an initial period of two years. Credit Monitoring Services may be automatically extended to Settlement Class Members for a period longer than two years if there are sufficient funds left in the Settlement Fund. More detail about how Credit Monitoring Services could be extended longer than two years is available in Question 23.

Credit Monitoring Services are being provided by AllClear ID. The features of these Credit Monitoring Services include:

- Daily credit monitoring of the Settlement Class Members' credit file at all three major credit reporting agencies (Experian, Equifax, & TransUnion);
- Identity Theft Monitoring service alerting consumers when stolen identity information is detected, including phone alerts;
- Identity monitoring of Settlement Class Members' minor children, up to the age of 18;
- Identity theft insurance in the amount of \$1,000,000.00.
- Identity restoration services that provide professional fraud resolution assistance to Settlement Class Members who experience identity theft or fraud;

- Assistance with canceling and replacing credit and debit cards if a wallet is lost or stolen.

AllClear ID has established an informational Internet web page for the Credit Monitoring Services being offered through this Settlement which can be found at <http://www.allclearid.com/business/customer-security-breach-litigation/>.

AllClear ID Credit Monitoring Services are not available to residents of Israel. However, if you are Settlement Class Member residing in Israel, you are eligible for Alternative Compensation—as explained below.

12. What if I already have protection against identity theft and fraud and I don't want more?

Settlement Benefit: Cash Payment As An Alternative to Credit Monitoring Services

If you do not need identity theft and fraud protection from the Settlement because you already have credit monitoring or protection services and you verify that you will keep them for at least one year, you may claim a cash payment instead of additional credit monitoring, by filing an Alternative Compensation Claim.

The amount of the Alternative Compensation payments is \$100.00. That amount could decrease if the amount of all valid claims exceeds the amount of the Settlement Fund, or the payment could increase to as high as \$358.80 if there are remaining funds after all claims for Out-of-Pocket Costs, Paid User Costs, and Small Business User Costs are paid. Since the funds available for Alternative Compensation Claims depend on how much money is left in the Settlement Fund after other claims and costs, and on the number of Alternative Compensation Claims that are approved, **nobody can know in advance how much the payment will be.**

If you are a resident of Israel—or you were between 2012 and 2016—you are eligible for the Alternative Compensation payment **without** showing that you currently have credit monitoring services and/or that you intend to keep those services.

13. Will the Settlement help me deal with identity theft or fraud if it happens?

Settlement Benefit: Fraud Resolution Services

Recovering from fraud or identity theft is a time-consuming, costly affair for anyone going through it alone.

Settlement Class Members who sign up for Credit Monitoring Services will receive access to Fraud Resolution Services through AllClear ID after the Settlement becomes final. Fraud Resolution Specialists will be available by telephone, email, and mail to help you with important but time-consuming tasks such as placing fraud alerts with the credit bureaus, disputing inaccurate information on your credit reports, scheduling calls with creditors and other service providers, and working with law enforcement and government agencies to dispute fraudulent information. More details about AllClear ID's Fraud Resolution Services for Settlement Class Members are available at <https://www.allclearid.com/business/customer-security-breach-litigation/>.

14. Will the Settlement pay me back for identity theft and fraud I have already suffered or expenses I have already paid to protect myself?

Settlement Benefit: Reimbursement for Out-of-Pocket Losses

If you spent time or money to address fraud or identity theft that you believe was caused by the Data Breaches, or to protect yourself from future harm, then you may make a claim for reimbursement. Each individual or Small Business User claim for Out-of-Pocket Costs may not exceed \$25,000. All claims of any type—including claims for Paid User Costs, Small Business User Costs, Alternative Compensation, and Out-Of-Pocket Costs Claims—will be processed prior to any being paid. If the Settlement Fund is sufficient to cover all valid claims, all such claims will be paid in full. If the Settlement Fund is not sufficient to cover all valid claims, then the amount of each claim will be reduced proportionally (by a percentage) until the Settlement Fund is exhausted.

Out-of-Pocket Costs that are eligible for reimbursement through the Settlement include the following costs related to the Data Breaches and incurred after January 1, 2012:

- The costs of credit monitoring or identity protection services you obtained (up to the date on which Credit Monitoring Services become available through this Settlement).
- Unreimbursed losses, fees, or charges incurred as a result of identity fraud or theft connected with the possible misuse of your name, email address, telephone number, birth date, password, and security questions at Yahoo, or from contents of your email account, such as financial communications and records containing credit cards, retail accounts, banking, account passwords, IRS documents, and social security numbers from transactions conducted by Yahoo and/or Aabaco email.
- Professional fees and other costs incurred addressing identity fraud or theft, including falsified tax returns or other identity fraud or theft connected with the possible misuse of your Social Security number, date of birth, email address, address, income and employment information, or health care ID number.
- Costs associated with credit freezes.
- Miscellaneous expenses such as notary, fax, postage, copying, mileage, and long-distance charges that you show were incurred in connection with identity fraud or theft connected with the possible misuse of your name, email address, telephone number, birth date, password, and security questions at Yahoo, or from contents of your email account, such as financial communications and records containing credit cards, retail accounts, banking, account passwords, IRS documents, and social security numbers from transactions conducted by Yahoo and/or Aabaco email (“Personal Information”).
- If you can adequately document identity fraud or theft connected with the possible misuse of your Personal Information you may be eligible for reimbursement of up to fifteen hours of time spent remedying issues related to the Data Breaches (calculated at \$25 per hour, or time off work at your documented hourly wage, whichever is greater), or, if you cannot provide documentation, up to five hours of time spent remedying issues related to the Data Breaches (calculated at \$25 per hour or time off work at your documented hourly wage, whichever is greater).

This list provides examples only, and other losses or costs due to the Data Breaches may also be eligible for reimbursement. **YOU MUST BE ABLE TO DOCUMENT YOUR CLAIM.**

The Settlement Administrator has the sole authority to determine the validity of claims for Out-of-Pocket Costs. Only valid claims will be paid. The deadline to file an Out-of-Pocket Costs Claim is July 20, 2020 (this is the last day to file online and postmark is deadline for mailed claims).

15. If I paid Yahoo for premium or advertisement free services, will I receive a refund?

Settlement Benefit: Paid User Costs

If you paid Yahoo for advertisement-free or premium email services between January 1, 2012 and December 31, 2016, you are a Paid User. Paid Users are eligible for reimbursement of up to 25% of the amounts you paid Yahoo for Paid User services during the time frame January 1, 2012 – December 31, 2016. In order to receive this benefit, you must file a valid Paid User Cost Claim Form, as further explained below in Question 19.

As with reimbursement for Out-of-Pocket Costs, all claims of any type—including claims for Paid User Costs, Small Business User Costs, Alternative Compensation, and Out-of-Pocket Costs—will be processed prior to any claims being paid. If the Settlement Fund is sufficient to cover all valid claims, all such valid claims will be paid in full. If the Settlement Fund is not sufficient to cover all valid claims, then the amount of each valid claim will be reduced proportionally (by a percentage) until the total payments exhaust the Settlement Fund.

Paid Users may make a claim for Paid User Costs in addition to claims for Out-of-Pocket Costs, and/or Credit Monitoring Services or Alternative Compensation.

16. If I paid Yahoo or Aabaco for Small Business Services, will I receive a refund?

Settlement Benefit: Small Business User Costs

If you paid Yahoo or Aabaco for small business email services between January 1, 2012 – December 31, 2016, you are a Small Business User. Small Business Users are eligible for reimbursement of up to 25% of the amounts you paid Yahoo for Small Business User email services during the timeframe January 1, 2012 – December 31, 2016, up to a cap of \$500 per year. In order to receive this benefit, you must file a valid Small Business User Cost Claim Form, as further explained below in Question 20.

As with reimbursement for Out-of-Pocket Costs, all claims of any type—including claims for Paid User Costs, Small Business User Costs, Alternative Compensation, and Out-of-Pocket Claims—will be processed prior to any claims being paid. If the Settlement Fund is sufficient to cover all valid claims, all such valid claims will be paid in full. If the Settlement Fund is not sufficient to cover all valid claims, then the amount of each valid claim will be reduced proportionally (by a percentage) until the total payments exhaust the Settlement Fund.

Small Business Users may make a claim for Small Business User Costs in addition to claims for Out-of-Pocket Costs, and/or Credit Monitoring Services or Alternative Compensation.

HOW TO FILE A CLAIM

17. How do I file a claim for Credit Monitoring Services or Alternative Compensation?

To obtain Credit Monitoring Services or to claim a cash payment if you verify that you already have such protection for at least one year, you need to file a claim form. There are two options to file your claim:

- (1) **File Online:** You may fill out and submit the claim form and the required documentation online at www.YahooDataBreachSettlement.com.

YahooDataBreachSettlement.com; or

- (2) **File by Mail:** Alternatively, you can download a hard copy of the claim form from the Documents page of the Website at www.YahooDataBreachSettlement.com or ask the Settlement Administrator to mail a Credit Monitoring Services or Alternative Compensation Claim Form to you by calling 844-702-2788 or emailing info@YahooDataBreachSettlement.com. Fill out your claim form and mail it (including postage) to: *In re: Yahoo! Inc. Customer Data Breach Security Litigation*, c/o Settlement Administrator, PO Box 1760, Philadelphia, PA, 19105-1760.

The deadline to file a Credit Monitoring Services or Alternative Compensation Claim is July 20, 2020 (this is the last day to file online or postmark deadline for mailed claims).

Instructions for filling out a Credit Monitoring Services or Alternative Compensation Claim Form are included on the forms. You may choose either Credit Monitoring Services *or* Alternative Compensation, not both.

You may access the Claim Forms and view a video on how to file a claim at www.YahooDataBreachSettlement.com.

If you are a resident of Israel, you may access the proper claims form and view a video on how to file a claim www.YahooDataBreachSettlement.com.

18. How do I file a claim for Reimbursement of Out-of-Pocket Costs?

To file a claim for reimbursement of expenses and/or up to fifteen hours of time you believe you lost due to the Data Breaches, you need to file an Out-of-Pocket Costs Claim Form and submit documentation and an attestation regarding the costs and losses that you incurred. There are two options for filing claims:

- (1) **File Online:** You may fill out and submit the portions of the claim form and the required documentation online at www.YahooDataBreachSettlement.com; or
- (2) **File by Mail:** Download a hard copy of the claim forms from the Documents page of the Website at www.YahooDataBreachSettlement.com or ask the Settlement Administrator to mail an Out-of-Pocket Costs Claim form to you by calling 844-702-2788 or emailing info@YahooDataBreachSettlement.com. Fill out your claim form and mail it (including postage) to: *In re: Yahoo! Inc. Customer Data Breach Security Litigation*, c/o Settlement Administrator, PO Box 1760, Philadelphia, PA, 19105-1760.

The deadline to file an Out-of-Pocket Costs Claim is July 20, 2020 (this is the last day to file online and/or postmark mailed claims).

Instructions for filling out an Out-of-Pocket Costs claim are included on the forms. You may file a claim for Reimbursement of Out-of-Pocket Costs in addition to filing a Claim for Credit Monitoring Services or Alternative Compensation.

You may access the Out-of-Pocket Costs Claim Form and view a video on how to file a claim www.YahooDataBreachSettlement.com.

If you are a resident of Israel, you may access the proper claims form and view a video on how to file a claim www.YahooDataBreachSettlement.com.

19. How do I file a claim for Paid User Costs?

To file a claim for reimbursement of 25% of Paid User Costs paid from January 1, 2012 – December 31, 2016, you need to file a Paid User Costs Claim Form. There are two options for filing claims:

- (1) **File Online:** You may fill out and submit the claim form and the required documentation online at www.YahooDataBreachSettlement.com; or
- (2) **File by Mail:** Download a hard copy of the claim form from the Documents page of the Website at www.YahooDataBreachSettlement.com or ask the Settlement Administrator to mail a Paid User Claim form to you by calling 844-702-2788 or emailing info@YahooDataBreachSettlement.com. Fill out your claim form and mail it (including postage) to: *In re: Yahoo! Inc. Customer Data Security Breach Litigation*, c/o Settlement Administrator, PO Box 1760, Philadelphia, PA, 19105-1760.

The deadline to file a Paid User Costs Claim is July 20, 2020 (this is the last day to file online and/or postmark for mailed claims).

Instructions for filling out a Paid User Costs Claim form are included on that form. You may file a claim for Paid User costs in addition to a claim for Reimbursement of Out-of-Pocket Costs and/or a claim for Credit Monitoring Services or Alternative Compensation.

You may access the Paid User Costs Claim Form and view a video on how to file a claim www.YahooDataBreachSettlement.com.

20. How do I file a claim for Small Business User Costs?

To file a claim for reimbursement of 25% of Small Business User Costs paid from January 1, 2012 – December 31, 2016, up to a cap of \$500 per year, you need to file a Small Business User Costs Claim Form. There are two options for filing claims:

- (1) **File Online:** You may fill out and submit the claim form and the required documentation online at www.YahooDataBreachSettlement.com; or
- (2) **File by Mail:** Download a hard copy of the claim form from the Documents page of the Website at www.YahooDataBreachSettlement.com or ask the Settlement Administrator to mail a Small Business User claim form to you by calling 844-702-2788 or emailing info@YahooDataBreachSettlement.com. Fill out your claim form and mail it (including postage) to: *In re: Yahoo! Inc. Customer Data Breach Security Litigation*, c/o Settlement Administrator, PO Box 1760, Philadelphia, PA, 19105-1760.

The deadline to file a Small Business User Costs Claim is July 20, 2020 (this is the last day to file online and/or postmark for mailed claims).

Instructions for filling out a Small Business User Costs Claim form are included on that form. You may file a claim for Small Business User Costs in addition to a claim for Reimbursement of Out-of-Pocket Costs and/or a claim for Credit Monitoring Services or Alternative Compensation. Credit Services are, however, only available to the underlying individual owner(s) of the business. Fraud Resolution services will be available for the small businesses themselves.

You may access the Small Business User Costs Claim Form and view a video on how to file a claim www.YahooDataBreachSettlement.com.

21. When and how will I receive the benefits I claim from the Settlement?

Credit Monitoring Services claimed by Settlement Class Members will begin, and payments for valid claims will be made, after the Settlement becomes final. This process may take longer than one year. Please be patient.

If you make a valid claim for Credit Monitoring Services, the Settlement Administrator will send you information on how to activate your credit monitoring. The Settlement Administrator will provide you with an activation code which you will use at the AllClear ID website to activate your Credit Monitoring

Services.

Checks for valid Alternative Compensation, Out-of-Pocket Costs, Paid User Costs, and Small Business User Costs will be mailed by the Settlement Administrator to the mailing address that you provide, or deposited by ACH transfer (direct deposit) to the bank account information that you provide on your claim form(s).

22. What happens if my contact information changes after I submit a Claim?

If, after you submit a claim form, you change your mailing address, email address, or banking information (if applicable), it is your responsibility to inform the Settlement Administrator of your updated information. You may do so by contacting the Settlement Administrator using the contact information in Question 35.

23. What happens if some of the money from this Settlement is not claimed?

None of the money in the \$117.5 million Settlement Fund will be paid back to Defendants if the Settlement becomes final.

Any money left in the Settlement Fund after these expenditures will be used first, to increase the Alternative Compensation payments up to the cap of \$358.80 per valid claim; and then to extend the time period for the Credit Monitoring Services claims, *i.e.*, credit monitoring beyond the initial, guaranteed two years, in monthly installments until sufficient funds to purchase an additional month are no longer available.

If funds remain following the above, those funds will be subject to *cy pres* distribution split equally between the Electronic Privacy Information Center and the Center for Democracy & Technology or such other *cy pres* recipient(s) as directed by the Court.

LEGAL RIGHTS RESOLVED THROUGH THE SETTLEMENT

24. What am I giving up to stay in the Settlement Class?

Unless you exclude yourself (see Questions 30-33), you are staying in the Settlement Class, and that means when the Settlement becomes final, you will release all claims against Defendants related to the Data Breaches. This also means that if you make a claim for one or more of the Settlement benefits, or if you do nothing, you are releasing your claims. By releasing your legal claims, you are giving up the right to file lawsuits against, or seek further compensation from, the Defendants and their current, former, and future Affiliates, Parents, and Subsidiaries for any harm related to the Data Breaches—whether or not you are currently aware of those claims.

If you remain a member of the Settlement Class, all of the Court’s orders will apply to you and legally bind you. You can access the Settlement Agreement and read the specific details of the legal claims being released on the Documents page of the Settlement Website at www.YahooDataBreachSettlement.com. If you have any questions about what this means, you can contact the Settlement Administrator (see Question 35).

Specifically, as defined in Section 1.39 of the Settlement Agreement, “Released Claim” means any claim, liability, right, demand, suit, obligation, damage, including consequential damage, loss or cost, punitive damage, attorneys’ fee and cost, action or cause of action, of every kind or description—whether known

or Unknown (as the term “Unknown Claims” is defined in Section 1.53), suspected or unsuspected, asserted or unasserted, liquidated or unliquidated, legal, statutory, or equitable—related to or arising from any of the facts alleged in any of the Actions.

OBJECTING TO OR COMMENTING ON THE SETTLEMENT

25. How do I tell the Court that I like the Settlement, or that I don’t like the Settlement?

If you do not exclude yourself, you can comment on, or object to, the Settlement, Class Counsel’s request for attorneys’ fees, costs, and expenses, and/or the request for Service Awards for the Settlement Class Representatives.

Filing an objection means asking the Court to deny approval to the Settlement. You can’t ask the Court to order a larger settlement—it can only approve or deny the Settlement. If the Court denies approval, no Credit Monitoring Services will be provided, no settlement payments will be sent out, and the lawsuits will continue. If that is what you want to happen, you may so state in an objection.

If you choose to make an objection or comment, it must be in writing and contain the following:

- a. The name and case number of this lawsuit (*In re: Yahoo! Inc. Customer Data Breach Security Litigation*, case number 16-md-02752-LHK);
- b. Your full name and mailing address, and email address or telephone number;
- c. An explanation of why you believe you are a Settlement Class Member;
- d. All reasons for your objection or comment;
- e. A statement identifying the number of class action settlements you have objected to in the last three years;
- f. Whether you intend to personally appear and/or testify at the Final Approval Hearing;
- g. The name and contact information of any and all attorneys representing, advising, or assisting you, including any counsel who may be entitled to compensation for any reason related to your objection or comment;
- h. Whether any attorney will appear on your behalf at the Final Approval Hearing, and if so the identity of that attorney;
- i. The identity of any persons who wish to be called to testify at the Final Approval Hearing; and
- j. Your handwritten or electronically imaged written (e.g. “DocuSign”) signature. An attorney’s signature, or a typed signature, is not sufficient.

To be considered by the Court, your objection must be either (1) filed at any location of the United States District Court for the Northern District of California on or before March 6, 2020, or (2) mailed, postmarked no later than March 6, 2020, to the Settlement Administrator at the following address:

THE SETTLEMENT ADMINISTRATOR
Scott Fenwick Heffler Claims Group 1515 Market Street, Suite 1700 Philadelphia PA 19102

26. What is the difference between objecting and excluding myself?

You object to the Settlement when you disagree with some aspect of the Settlement and think the Court should not give Final Approval to the Settlement. An objection, like a comment, allows your views to be

heard in Court.

Excluding yourself from the Settlement Class means that you are no longer a Settlement Class Member and don't want the Settlement to apply to you. Once you are excluded, you lose any right to receive any benefits from the Settlement or to object to any aspect of the Settlement because the case no longer affects you.

FINAL APPROVAL HEARING

27. When and where will the Court decide whether to approve the Settlement?

The Court will hold the Final Fairness Hearing at **1:30 pm** on **April 2, 2020** in Courtroom 8 of the United States Courthouse, 280 South 1st Street, 4th Floor, San Jose, CA 95113. The hearing may be postponed to a different date or time or location without notice. Please check www.YahooDataBreachSettlement.com, or Judge Lucy Koh's Calendar <http://www.cand.uscourts.gov/lhk> for any updates about the Settlement or the Final Fairness Hearing. If the date or time of the Final Fairness Hearing changes, an update to the Settlement Website or the Court's Calendar will be the only way you will be informed of the change.

At the Final Fairness Hearing, the Court will consider whether the Settlement is fair, reasonable, and adequate. If there are objections, the Court will consider them. The Court may listen to people who appear at the hearing and who have provided notice of their intent to appear at the hearing (see Question 25). The Court may also consider Class Counsel's application for attorneys' fees, costs, and expenses and for Service Awards. The motion for attorney fees, costs, and expenses and for Service Awards will be posted on the Settlement Website on the date it is filed or as quickly thereafter as practicable. After the hearing, the Court will decide whether to approve the Settlement.

28. Do I have to come to the hearing?

No. Class Counsel will answer any questions the Court may have. You may attend at your own expense if you wish. If you submit a written objection, you do not have to come to Court to talk about it. As long as you submitted your written objection on time, the Court will consider it. You may also pay your own lawyer to attend, but it is not required.

29. May I speak at the hearing?

At that hearing, the Court, at its discretion, will hear any objections and arguments concerning the fairness of the Settlement.

You may attend, but you do not have to. As described above in response to Question 25, you may speak at the Final Fairness Hearing if (a) you have filed with the Court, or mailed your written comment or objection to the Settlement Administrator (Scott Fenwick, Heffler Claims Group, 1515 Market Street, Suite 1700, Philadelphia, PA 19102) on or before the postmark or filing deadline of March 6, 2020, and (b) identified in your comment or objection whether you intend to appear at the Final Fairness Hearing.

You cannot speak at the hearing if you exclude yourself from the Settlement Class.

EXCLUDING YOURSELF FROM THE SETTLEMENT

30. How do I exclude myself from the Settlement?

If you want to keep the right to sue or continue to sue Defendants based on claims this Settlement resolves, to the extent such claims are timely, you must take steps to exclude yourself from the Settlement Class (sometimes called “opting out”).

To exclude yourself from the Settlement, you must send a letter by mail saying that you wish to do so. Your exclusion letter must include:

- a. The name and case number of this lawsuit (*In re: Yahoo! Inc. Customer Data Security Breach Litigation*, Case Number 16-md-02752-LHK);
- b. Your full name and mailing address, and email address or telephone number;
- c. An explanation of why you believe you are a Settlement Class Member;
- d. The words “Notification of Exclusion” or a statement that you want to be excluded from the Settlement; and
- e. Your handwritten or electronically imaged written (e.g. “DocuSign”) signature. An attorney’s signature, or a typed signature, is not sufficient.

You must mail your exclusion letter, postmarked no later than March 6, 2020, to:

In re: Yahoo! Inc. Customer Data Security Breach Litigation
c/o Settlement Administrator
PO Box 1760
Philadelphia, PA 19105-1760

You cannot exclude yourself by mailing a notification to any other location or after the deadline of March 6, 2020.

You cannot exclude yourself by telephone or by email. Your exclusion letter must be signed by you, personally, and not your lawyer or anyone else acting on your behalf. “Mass” or “class” opt-outs made on behalf of multiple persons or classes of persons will be deemed invalid.

If you submit a claim for Credit Monitoring Services, Alternative Compensation, Out-of-Pocket Costs, Paid User Costs, and/or Small Business User Costs, and you **also** submit a request for exclusion, the request for exclusion will be deemed invalid.

31. If I do not exclude myself, can I sue Defendants for the same thing later?

No. Unless you exclude yourself, you give up the right to sue Defendants for the claims that this Settlement resolves.

32. If I exclude myself, can I still get the Settlement benefits?

No. You will not be eligible to receive any Credit Monitoring Services or compensation from the Settlement if you exclude yourself.

33. If I exclude myself, am I still represented by Class Counsel?

No. Class Counsel represents the members of the Settlement Class. If you exclude yourself from the Settlement Class, you are not represented by Class Counsel.

DOING NOTHING

34. What happens if I do nothing?

If you do nothing, you will not be eligible to receive any Credit Monitoring Services or compensation from the Settlement, and you will give up your rights to sue Defendants about the legal claims in this litigation.

GETTING MORE INFORMATION

35. How do I get more information?

This Notice summarizes the proposed Settlement. More details are in the Settlement Agreement itself. You can get a copy of the Settlement Agreement, view other case documents, and get additional information and updates by visiting www.YahooDataBreachSettlement.com.

All of the case documents that have been filed publicly in this case are also available online through the Court's Public Access to Court Electronic Records (PACER) system at <https://ecf.cand.uscourts.gov>. This case is called *In re: Yahoo! Inc. Customer Data Security Breach Litigation*, and is case number 16-md-02752-LHK. You may obtain case documents by visiting the office of the Clerk of the Court for the United States District Court for the Northern District of California, San Jose Division, between 9:00 a.m. and 4:00 p.m., Monday through Friday, excluding Court holidays.

You can also get additional information or request a copy of the Settlement Agreement by calling toll-free 844-702-2788, emailing at info@YahooDataBreachSettlement.com, or writing to *In re: Yahoo! Inc. Customer Data Security Breach Litigation*, c/o Settlement Administrator, PO Box 1760, Philadelphia, PA, 19105-1760.

PLEASE DO NOT TELEPHONE THE COURT OR THE COURT CLERK'S OFFICE TO INQUIRE ABOUT THIS SETTLEMENT OR THE CLAIM PROCESS.